



DEPARTMENT OF THE TREASURY  
INTERNAL REVENUE SERVICE  
WASHINGTON, D.C. 20224

December 5, 2008

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MEMORANDUM FOR DIRECTORS, COLLECTION AREA OPERATIONS

FROM: Frederick W. Schindler /s/ Kristen Bailey (for)  
Director, Collection Policy

SUBJECT: Direct Debit Installment Agreements

The purpose of this memorandum is to issue interim guidance for processing of Direct Debit Installment Agreements (DDIA). This memorandum revises and clarifies the Internal Revenue Manual (IRM) 5.14, Installment Agreements (IA). The affected section of IRM 5.14.10.4 will be revised to include the information in this memorandum. Please ensure that this information is distributed to all affected employees in your organization.

Effective immediately, all Collection Field function (CFf) DDIA's will be processed at Compliance Services Collection Operations at the Philadelphia Campus. The address is as follows:

Internal Revenue Service  
11601 Roosevelt Boulevard, Stop 657-S  
Philadelphia, PA 19154

The systemic Form 3210 generated on Integrated Collection System (ICS), when selecting the DDIA option in the IA application, has been updated to reflect the new address.

The following instructions clarify what information to secure, and how to route the DDIA for processing:

- On the Form 433-D, document the account number and bank routing number, OR attach a copy of a cancelled check.
- Establish the first payment date on the Form 433-D for 60-days from the date the IA is established. The DDIA should be input into Status 60 within 30 – 45 days.

- Once the account is in Status 60, the taxpayer will receive a notice (CP521) requesting the first payment, and the user fee. Advise the taxpayer to manually remit both payments to the IRS lockbox address listed on the notice.
- Advise the taxpayer that the first payment will not be withdrawn from their bank account for approximately 90 days. The 90 days includes the timeframe for the IA to reach Status 60, issuance of the CP521 Notice, and verification of the taxpayer's bank account information with the financial institution.
- After securing the taxpayer's signature on the Form 433-D and managerial approval, forward the completed Form 433D with the bank account information or copy of a cancelled check via the ICS generated Form 3210 to the Philadelphia campus address noted above for input into Status 60.
- Send the closed case file on a Form 3210 to Centralized Case Processing (CCP) in Philadelphia at Stop N-804.

Following these steps will prevent delay in processing the DDIA and ensure timely input into Integrated Data Retrieval System (IDRS).

If you have any questions, please feel free to contact me, or a member of your staff may contact Policy Analyst Anna Daddazio.

cc: Director, Collection  
Director, Campus Compliance Services  
Director, Case Processing  
[www.irs.gov](http://www.irs.gov)